

The Director of Central Intelligence

Washington, D.C. 20505

29 July 1983

National Intelligence Council

MEMORANDUM FOR: David Low, NIO/AL
FROM: Maurice C. Ernst, NIO/Econ
SUBJECT: The 1990s and All That

The results of a little brainstorming on new economic trends in the '90s were somewhat meager, but here goes:

- o The oil crisis will return. In spite of the intensification of exploration in recent years, the discovery of high quality oil reserves continues to be much smaller than the depletion of existing reserves. Moreover, the oil glut of the early and perhaps mid-1980s will slow exploration, conservation, and the substitution of other energy sources for oil, and thereby increase the likelihood of a shortage during the next decade.
- o The world will go through another period of food shortage. Here too there are both long-term cyclical and basic trends. Most experts expect food prices to be relatively depressed for the next few years. The impact of depressed food markets on both supply and demand make a period of substantial relative price increases likely in the 1990s. The most troublesome basic trend is in water supply, particularly the lowering of water level in major aquifers and the increasing pollution of underground water sources. The worst food problems will occur in Africa, where population growth will continue to increase, and government policies will continue to create severe disincentives for food production.
- o Manufacturing industries will become more and more internationalized--that is, major firms will buy components from a wide range of countries and there will be growing specialization. This is already happening for automobiles and steel. We can expect more of the same in electronics, computers, etc.
- o The electronics and information explosion will make long-distance data transmission much cheaper. If CIA wants to keep up with the state of the art, we will need direct on-line access to many foreign sources of data and other information.

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- o Mexico will occupy a much larger part of US Government and CIA time. Already the third largest US trade partner, although far behind Canada and Japan, Mexico will begin to approach these countries in importance. Indeed, it will equal them in importance if the other aspects of the relationship, including legal and illegal immigration, tourism, and other factors, are taken into account.
- o South Korea and Brazil will become major industrial powers, comparable at least to the medium-sized West European economies. They will join the club of major decisionmakers in international economic organizations.
- o With reasonable political stability, China and India will become medium-sized industrial powers. Although their role in world trade will remain relatively small, their economic influence will increase greatly because of enhanced overall economic capabilities on the technical level.



Maurice C. Ernst

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National Intelligence Council

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1 July 1983

MEMORANDUM FOR: C/NIC
VC/NIC (H. Meyer)
VC/NIC (C. Waterman)
All NIOs

FROM : David B. Low
National Intelligence Officer at Large

SUBJECT : Long-Range Planning for the Intelligence Community

1. The Intelligence Community Staff has been asked by the DCI to establish a long-range strategic planning process for the intelligence community. In this regard, the IC Staff has recently reviewed previous planning efforts in the community and examined the long-range planning effort in some dozen large private corporations. The IC Staff sees itself as a facilitator in this process and intends that the members of the community themselves participate directly in establishing goals and delineating strategies to implement those goals pursuant to a planning cycle. One feature which distinguishes this effort from previous ones is a desire to reach sufficiently long-term to avoid being constrained by current priorities. Thus, the time horizon for this effort will be the 1990's, i.e., 10-15 years hence.

2. The IC Staff sees the following phases in the planning cycle:

- Phase I. Establishment of a set of long-range goals for the community against the background of a document in which the outlines of the future environment are set out.
- Phase II. Coordination and approval by NFIB/NFIC of a statement of the goals of the intelligence community together with development of a set of implementation strategies. This stage will have a budget forecast element.

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Phase III. Development of a strategy for accomplishing each goal on a community coordinated basis. It is visualized that every third year each goal and its accompanying objectives would be reviewed for progress and appropriateness.

3. It has been agreed that the NIC will produce the paper mentioned in Phase I above which outlines what the 1990's will hold and on the basis of which goals will be set by community principals. In order to accomplish this, I request of each NIO a brief assessment.

4. This assessment should attempt to describe briefly those features of the environment 15 years hence which will not be the same as today. Unlike previous planning documents which have attempted to suggest what substantive changes will occur in the Middle East, for example, this effort should examine more broadly those kinds of issues which will be different from today's issues, or which will require a different kind of intelligence community to address. It strikes me that at least three categories of concepts should be considered:

1. Substantive issues which are not currently high priority or even examined at all,

2. Disciplines--scientific, sociological, etc.--which will require emphasis and resources, and

3. Issues which are of considerable significance today, but which will not be then.

5. From this I will integrate the views into a draft paper for future review by the NIC. It has not been decided whether that paper will end up at the NFIB for review.

6. It is requested that the broadest community view be taken of these issues. We must make an attempt to be complete in our representation of elements or members of the community.

7. Please return your views to me by the end of July. By way of suggestion as to format, each issue should be described, together with a brief assessment of its implications, in no more than one page. At least initially, no holds should be barred in terms of implications for cost, manpower, hardware, organization of the community, etc.



David B. Low

cc: DDCI

 IC Staff

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